3:Kemeny G-5 (1945-48)1952 EC1 Hungary EC1



TABLE VI

DEVELOPMENTS IN TRANSPORT

(1938 = 100)

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| *Goods* | *1946–7* | *1948* | *1949* |
|---|---|---|---|
| Railway | 77·8 | 128·8 | 148·6 |
| Road | 183·7 | 218·7 | 223·4 |
| Shipping | 22·6 | 68·0 | 76·0 |
| *Passengers* | | | |
| Railway | 120·0 | 204·0 | 222·0 |
| Road | 58·0 | 159·0 | 289·0 |

TABLE VII

CAPITAL EXPENDITURE UNDER THE PLAN 1

454
652

| | *1947–8* | *Total Plan Period* |
|---|---|---|
| | *million forint* | |
| Agriculture | 688·0 | 3,255 |
| Mining and industry | 792·0 | 2,987 |
| Communications | 545·4 | 1,957 |
| Building (urban housing, social, and cultural) | 468·7 | 1,844 |
| Total | 2,494·1 | 10,300* |

* Inclusive of 257 million forint trade investment.

TABLE VIII

DETAILS OF INVESTMENT IN 1947–8

| | *Million forint* | *Per cent of Programme* |
|---|---|---|
| *Agriculture* | | |
| Directly into agricultural production | 335·2 | 127·3 |
| Agricultural training | 24·4 | 97·4 |
| Industries serving agriculture* | 124·6 | 109·3 |
| Rural electrification, housing, and roads | 203·7 | 115·1 |
| Total | 688·0 | 118·7 |
| *Mining and Manufactures* | | |
| Mining | 161·5 | 115·4 |
| Iron, steel, non-ferrous metal, and engineering | 293·9 | 124·5 |
| Electrical power generation | 143·2 | 286·4 |
| Textiles | 68·9 | 186·3 |
| Chemicals | 64·5 | 97·8 |
| Miscellaneous† | 59·8 | 196·3‡ |
| Total | 792·0 | 143·0 |
| *Communications* | | |
| Railways | 238·9 | 136·0 |
| Roads | 159·4 | 146·8 |
| River, air, tramway, and postal services | 147·0 | 102·8 |
| Total | 545·4 | 127·6 |

* Including the production of tractors, fertilizers, etc.
† Including building materials, food, leather, paper, and wood manufactures.
‡ Excluding leather for which no target is given.

1 [The Hungarian Three Year Plan of 1947-9--Analyst]

No exhaustive list of the completed and, for that matter, of the planned work is available. The Final Report mentions the reconstruction of six principal railway bridges against the five planned, and of five highway bridges,[35] the complete reconstruction of the roads, including the building of 660 km. of new primary and secondary roads, and the construction of "some" new arterial roads.

Comparatively little progress was made in rebuilding railway station buildings. There is no mention of the work on the Danube-Theiss canal. The other canal (Sio) was opened in 1948.

The rolling stock of the railways is now claimed to be "sufficient." The number of automobiles, trucks and buses is, in the aggregate, 88 percent larger than it was before the war. Passenger cars have not reached the prewar level, but the number of buses is 50 percent, and that of trucks 150 percent greater.[36] The number of river boats and barges in commission is very much smaller than before the war.

Freight traffic on the railways is reported to have been 49 percent greater than in 1938, freight traffic on the roads 113 percent greater.[37] As traffic on the Danube is to a large extent paralyzed, the railways and the roads must carry a higher proportion of the total traffic than before the war. But it is doubtful if freight traffic on the railways could have increased by 49 percent in a year when the harvest was bad. It is not known whether Soviet transports passing through Hungary are included in the ton-mileage given. Railway passenger miles are claimed to have been 122 percent above prewar. There is definite information that postwar and prewar passenger miles are not comparable because of changes in the method of tabulation.

On the whole, at the end of 1949, the capacity of the transport system was at least as great as, if not greater than, before the war.

Building

The building program of the plan, extensive as it was, did not aim at completing the work of reconstruction of all war-damaged buildings, public and domestic. On the other hand, it included new construction serving mostly health, education, and, to a small extent, working class housing. A total of 1.2 billion

35. Two in Budapest, one each in Szolnok, Szeged, Vasarosnameny.

36. In 1938 the number of passenger cars was 18,900, the number of buses 700, and the number of trucks 3,800.

37. Freight traffic on the roads refers to freight carried in trucks, a fraction of the total freight carried on roads.

information suggests that the budgeted sum corresponds roughly to prewar investments in housing.

The building industry will be mechanized and mass production methods will be introduced in building. Total investments are slightly below 1.0 billion forints.

Transport and Communications

The capacity of the transport system is to be increased by 60 percent over the 1949 level. By 1949 the prewar capacity had on the whole been reached, although some bridges were still replaced by temporary structures and some of the rolling stock was in bad repair. Against that stood the large increase in the number of trucks and buses. Investments totalling 7.5 billion forints provide for the construction of 150 km. of new main-line railways, 605 km. of arterial highways, 2,250 km. of secondary roads, the construction of ten large bridges and a number of smaller ones, mostly to replace the temporary structures, and five new harbors. Also the first line of the Budapest underground railway will be completed. There is no indication where the new railway line or roads are going to be built. Nor is reference made to the Danube-Theiss canal on which construction work was started in the spring of 1949 under the Three Year Plan.

As well, the rolling stock for the railways will be increased by adding 4,400 trucks. The number of passenger automobiles will be increased by 14,000, and that of trucks by 23,000. The Danube fleet will be increased by building two passenger steamers, six tugs, fifty-nine barges and three seagoing vessels.

The capacity of the telephone and telegraph systems will be 67-70 percent greater in 1954 than before the war.

Employment and Productivity

The realization of the First Five Year Plan will require a considerable redeployment of the working population of Hungary. As pointed out earlier, the Three Year Plan did not affect the pattern of employment to any large extent, especially insofar as the agricultural population was concerned. Under the Five Year Plan, the number of workers in manufacturing and mining will have to be increased by 430,000. At the end of 1949, their number was about 440,000. In five years it will nearly double and reach 870,000 in 1954. No details are given concerning the distribution and composition of the labor force except that nearly 60 percent of the new workers would have to be skilled. To provide enough skilled workers, the rules governing the training of apprentices have been revised. The number of specialized

## THE OIL INDUSTRY IN THE HUNGARIAN ECONOMY

382 that industrial demand for oil reached at least the wartime peak, and very probably exceeded it.

185 382 497 In transport the plan called for the restoration of prewar capacity with a few improvements added and imposed no insatiable demands on the oil industry. No dieselization of locomotives had been carried out before the war, and none was scheduled by the plan. In 1948 the Hungarian National Railroads used only 1,740 tons of oil, compared with 1,584,000 tons of coal and 33.24 million kilowatt-hours of electric energy.

398 In the final plan report it was mentioned that there were "fewer" passenger cars in 1949 than the 18,900 listed in 1938. The number of buses, however, increased 50 percent from 700 in 1938 to presumably 1,050 in 1949. According to similar calculations, there were 9,500 trucks in 1949 compared with 3,800 in 1938.

362 374 As no appreciable quantities of oil were used for the heating of private homes the 120,000 cottages built in rural areas during the plan period had no effect on oil consumption; and the total number of new apartments built in two and a half years in urban areas was only 5,200 compared with the prewar average of 10,000 annually.

464 [316] Employment in mining and manufacturing (excluding handicraft) rose from 330,000 in 1938 to 443,000 by the end of 1949 but was still below the 1943 level of 470,000. Of the 1949 figure mining accounted for about 75,000 as [489] compared with 49,000 in 1938. There were very marked [331] increases in the transportation and building industries, each employing about 120,000 persons.

241 Despite the impressive increase in industrial strength in the years 1938-1949, Hungary remained an essentially agrarian country. Agriculture remained by far the most important single industry, employing an estimated 1,960,000 persons, or 46.4 percent of the working population.

000 Operations in the oil fields had been little disturbed

outstanding workers are decorated, and he is only a good worker, one of the hundreds of thousands of honest, diligent workers of average skill. Naturally he, too, is spurred by ambition; he, too, is trying to outdo the others in good work; he, too, is studying, advancing and bettering himself. 461

The first shift at the factory[1] starts work at seven in the morning. In the past Ferenc Gergely had to get up at four in the morning every single day because it took him two and a half hours to reach his place of work by streetcars, changing three or four times. Today, with the Csepel express train he reaches the factory in thirty to thirty-five minutes, which means that he can sleep two hours longer, and he saves the same amount of time on the way home. Two hours more are left for recreation, for reading, for the family. [466] 489

On the way home Ferenc Gergely often considers the

The Danube Embankment which was demolished during the war, now completely reconstructed.

[1] i.e. the Csepel Ironworks -- Analyst

489 extent to which transportation in Budapest and the entire country has developed since the liberation. During the war 70 per cent of the locomotives, 85 per cent of the freight and passenger cars and 90 per cent of the bridges were destroyed. Except for a few dozen broken-down streetcars and busses there were no vehicles of transportation left in Budapest. And today, over a period of three months, the new transportation system carries over 50 million passengers. And on the Danube, between Buda and Pest, the seventh bridge is now under construction.

466 Before entering the workshop to take his place at the work bench, Ferenc Gergely changes his clothes. Long rows of lockers stand along the walls of the large bright room furnished with tables, chairs, benches and mirrors. From the locker room you enter the washrooms and shower rooms. Everyone has the kind of work clothes required for his work. Those who work at workbenches wear overalls; those who work with fire or corrosive materials wear leather overalls and leather aprons or, if necessary, rubber overalls, rubber boots, protective helmets, gloves, goggles. If the work done is especially hard on clothes, the factory provides the worker with clothes free of charge and as often as necessary. The factory provides the various protective clothes and appliances free of charge.

**Ferenc Gergely in the factory washroom.**

The workshop in which Ferenc Gergely works is very different from the old, unhealthy, airless, dark and dirty workshops he was used to in the past. This is a huge,